Basic information

1998/2014(DEC) DEC - Discharge procedure	Procedure completed
1997 discharge: 6th and 7th European development Funds EDF **Subject** 6.30.03 European Development Fund (EDF) 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	WYNN Terence (PSE)	29/10/1998

Committee for opinion	Rapporteur for opinion	Appointed
DEVE Development and Cooperation	GÜNTHER Maren (PPE)	26/11/1998

Key events

Date	Event	Reference	Summary
01/01/1998	Committee referral announced in Parliament		
14/07/1998	Non-legislative basic document published	COM(1998)0442	Summary
20/04/1999	Vote in committee		
20/04/1999	Committee report tabled for plenary	A4-0198/1999	
03/05/1999	Debate in Parliament		
04/05/1999	End of procedure in Parliament		
03/07/1999	Final act published in Official Journal		

Technical information

Procedure reference	1998/2014(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed
Committee dossier	CONT/4/09655

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0198/1999 OJ C 279 01.10.1999, p. 0005	20/04/1999	
Text adopted by Parliament, single reading		T4-0389/1999 OJ C 279 01.10.1999, p. 0025-0132	04/05/1999	Summary
Text adopted by Parliament, single reading		T4-0390/1999 OJ C 279 01.10.1999, p. 0025-0134	04/05/1999	
Text adopted by Parliament, single reading		T4-0391/1999 OJ C 279 01.10.1999, p. 0025-0135	04/05/1999	

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	06321/1999	25/02/1999	Summary
Supplementary non-legislative basic document	06322/1999	25/02/1999	
Supplementary non-legislative basic document	06557/1999	08/03/1999	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1998)0442	14/07/1998	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N4-0676/1998	17/11/1998	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 1999/0429
OJ L 168 03.07.1999, p. 0020

Budget 1999/0430
OJ L 168 03.07.1999, p. 0022

1997 discharge: 6th and 7th European development Funds EDF

1998/2014(DEC) - 08/03/1999 - Supplementary non-legislative basic document

In a complementary Council document, concerning the statement of assurance (SOA) by the Court of Auditors regarding the activities of the 6th and 7th EDFs and concerning the reliability and regularity of the accounts and related operations for the budgetary year 1997, the Council declares that it is satisfied with the conclusions drawn by the Court and its subsequent statement of assurance, which demonstrates improvement in the EDF accounts. Essentially, the Court considered that the accounts for the budgetary year 1997 give a true picture of the receipts and expenditure of the EDFs and that the related commitment and payment operations are on the whole legal and regular. At the same time, the Court made some observations about the reliability of certain EDF accounts, notably with regard to certain advances in relation to financing study grants and the lack of transparency for certain advances on contracts. The Commission has responded to these observations and has undertaken to resolve these shortcomings. Elsewhere, the Court made more serious observations with regard to the legality and regularity of related operations. The Court considers, in effect, that the number of significant errors affecting commitments would amount to EURO 15 million. It further notes definite errors affecting commitments for certain operations managed by the EIB. In this context, the Council supports the position of the Court and charges the Commission to undertake an assessment of the impact of risk capital within the framework of ACP-EU cooperation. It notes the work already undertaken by the Commission within this framework as well as its desire, in collaboration with the EIB, to widen in 1999 its reexamination of risk capital operations by means of a general assessment. Finally, with regard to certain payments, the Court observes that in 1997, the Stabex and structural adjustment share has not been significant, which has provoked substantial errors in traditional subvention payments. As far as the Commission is concerned, these kind of errors have had no financial effect on the EDF. According to the Council, however, it is necessary to proceed with a reexamination of the entire regulation applicable to the EDF and of the internal rules in order to assess the appropriateness of that regulation. The Council welcomes the Commission's intention shortly to deliver to the Council a communication on simplifying the management of the EDF and underlines the relevance of such an exercise in the perspective of ongoing negotiations with a view to concluding an ACP-EU partnership agreement upon the expiry in February 2000 of the current Lomé Convention. In conclusion, the Council welcomes the largely positive assessment of the Court of Auditors with regard to the legality and regularity of EDF operations for the budgetary year 1997.

1997 discharge: 6th and 7th European development Funds EDF

1998/2014(DEC) - 04/05/1999 - Text adopted by Parliament, single reading

Adopting the report by Terence Wynn (PSE,UK), the European Parliament grants discharge to the Commission in respect of the financial management of the sixth and seventh European Development Funds for the financial year 1997.

1997 discharge: 6th and 7th European development Funds EDF

1998/2014(DEC) - 25/02/1999 - Supplementary non-legislative basic document

Given the management account and balance sheet pertaining to operations under the 6th and 7th EDF as well as the Court of Auditor's report regarding the budgetary year 1997, the Council recommends to the European Parliament that it should grant the Commission discharge for the execution of operations under the 6th and 7th EDF for the financial year 1997.

1997 discharge: 6th and 7th European development Funds EDF

1998/2014(DEC) - 14/07/1998 - Non-legislative basic document

PURPOSE: to present the financial balances and the management accounts for the 6th and 7th European development funds (EDF) for the budgetary year 1997. CONTENT: in its document, the Commission recalls once again that the Community and its Member States represent the main official source of development aid in the world. In 38 years, the Community and its development policy have gained in size and importance to the point that today, it is rare to find a country which does not benefit from Community aid in one form or another. The EDF represents the main financial instrument of this North-South cooperation linked to the Lomé Convention and decisions regarding the association of overseas countries and territories (OCT). The resources of the EDF are divided into two categories: programmable aid or overall amounts placed at the disposal of an OCT or African, Carribean and Pacific (ACP) country or region and non-programmable aid or assistance provided outsied the framework of the financial protocols (Stabex, Sysmin, emergency aid and aid to refugees). Currently, 70 ACP countries and 20 OCT benefit from the EDFs, the resources of which are managed by the Commission (with the exception of risk capital and interest bonuses managed by the European Investment Bank). Currently, the Commission manages the 6th and 7th EDFs, which correspond respectively to funds assigned under Lomé III and the first five years of Lomé IV. Initially, the 6th EDF was assigned ECU 7,500 million to which were added ECU 1,120 million from the EIB. The 7th EDF was assigned ECU 10,940 million to which can be added ECU 1,225 million from the EIB. The agreement amending Lomé IV, which was signed at Maurice in 1995 proposes the setting up of an 8th EDF, to be assigned ECU 13,132 million plus 1,693 million ECUs from the EIB. The Commission recalls that the EDF differs from other Community financial instruments in that its resources are provided outside the budget by the Member States and in that an individual financial regulation is established for each EDF. As a result, the financial regulations which are generally applicable to budget allocations do not apply to the EDFs which function on a multiannual basis, obliging the Commission to manage several EDFs in parallel until there final closure. Financial balance and management account for 1997: with commitments amounting to EURO 17,852 million and cumulative payments amounting to EURO 13,353 million at

the end of the budgetary year 1997, and taking account of proposed transfers to the 8th EDF (ECU 39 million) the rate of execution of the 6th EDF stands at 95.6% for commitments and 86% for payments. Elsewhere, taking account of proposed transfers from the 7th to the 8th EDF (ECU 253 million) and certain advances decided by the Council to the 8th EDF (withdrawn from the 7th EDF pending the final entry into force of the 8th EDF), the rate of execution of the 7th EDF stands at 89.1% for commitments and 56.6% for payments. In conclusion, the average rate of execution for the 6th and 7th EDFs combined stands at 91.7% for commitments and 68.5% for payments. Details of the rates of execution by instrument and by ACP or OCT countries can be found in the communications annexes (togetherwith commitment and payment rates). With regard to the amounts to be retained to give the Commission discharge of the execution of the EDFs, the total balance on 31/12/97 amounts to (allocations committed at the end of 1997): - ECU 7,534 million for the 6th EDF (of which ECU 6,777 million had been payed by the end of 1997); - ECU 10,319 million for the 7th EDF (of which ECU 6,575 million had been paid by the end of 1997).